



MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: Malpractice Insurance for Agency Medical Officers

1. This memorandum contains a recommendation for action by the DD/S. This recommendation is contained in paragraph 5.

2. At the request of this staff, officials of the Office of Personnel have explored the possibility of obtaining malpractice insurance for Agency medical officers. A meeting with Mr. John B. Clark of the McLaughlin Company of Washington, D. C., ensued. That company quotes the rates for this type of insurance as indicated in the attached rate schedule.

3. During the Far East Medical Conference in October 1956, a member of the General Counsel's staff discussed medico-legal problems. He stated that physicians employed by the U. S. Government are not immune to malpractice suits and that there had been recent judgments made against military medical officers. Moreover, he indicated that there has been not only an increasing trend toward verdicts favoring plaintiffs, but larger sums awarded as well. In view of the expanding professional responsibilities being placed on Agency physicians, it follows that they are in greater jeopardy of malpractice suits than ever before. Since this risk exists through the performance of official duty, it is believed that the cost of premiums for malpractice insurance should be borne by the Agency.

4. The highest (100/300) limits of coverage are indicated for Agency physicians. [redacted] physicians are routinely engaged in the treatment of patients and therefore should be covered. The estimated annual cost for the coverage of these medical officers, as determined by the rate group into which they fall, is as follows:

25X9A2

SECRET

25X9A2

SUBJECT: Malpractice Insurance for Agency Medical Officers



\$ 2,508.93

228.43

1,522.65

\$ 4,340.21

This amount cannot be defrayed from current funds allocated to the Medical Staff.

5. The foregoing estimate includes several Agency medical officer positions which are currently manuevered by medical officers detailed from the military services and the United States Public Health Service. Such detailed medical officers would not be covered during the initial implementation of this program.

6. It is therefore recommended that \$4,340.21 be authorized for this purpose for the initial year of coverage, with funds for subsequent years to be determined by the prevailing rates and the number of physicians to be covered. It is further recommended that the Director of Personnel be authorized to make the necessary arrangements for this insurance coverage.



25X1A9a

JOHN H. FIDAL, M.D.
Chief, Medical Staff

The recommendation contained in Paragraph 6 is approved.

Deputy Director (Support)

Date

Enclosure:

Rate Schedule

25X1A9a

MD/ADD [redacted] JV/2613

Distribution:

- Orig & 1 - Comptroller
- 2 - Deputy Director (Support)
- 1 - Director of Personnel
- 1 - General Counsel
- 2 - Chief, Medical Staff

Clerical [unclear]